

KRESGE NEWS

For and About Men and Women of S. S. Kresge Company

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We Salute Founder on 90th Birthday 'Birthday Limited' Arrives in Mountainhome for Celebration

Mountainhome, Pa.—A train full of good wishes pulled into Mountainhome, Pa., the morning of July 31 destined for the 90th birthday celebration of our founder, Sebastian S. Kresge. On board the "birthday limited" was the Board of Directors of the company Mr. Kresge founded 58 years ago: Stanley S. Kresge, Franklin P. Williams, Carl B. Tuttle, Daniel C. Fisher, Howard C. Baldwin, Ralph D. Kresge, Howard J. Liverance, Russell C. Davies, Harry B. Cunningham. Directors Charles B. Van Dusen and Donald F. Valley could not attend. William C. Fisher and Harvey C. Starkweather, members of the Canadian Board of Directors; Amos Gregory, secretary of the Kresge Foundation; and William G. Walters, secretary of the company, joined the group.

For these 13 men, the journey to Mountainhome was twofold in purpose: to personally extend warm wishes for continued health, happiness, success to a friend as he stood on the threshold of his 91st year; to pay tribute to their Board chairman—the firm boy who rose to establish and direct the second largest variety store chain in the world.

Early Business Experience

Mr. Kresge's early life reads like a stranger-than-fiction tale. As a very young man, he walked daily to attend an academy seven miles away. He worked on his parents' farm, taught school, clerked in a grocery store. Still later he worked in a wholesale produce business, sold insurance, sold house furnishings door-to-door, held part-interest in a bakery and was a bookkeeper for a hardware company.

All of this he accomplished before he was 25 years old. Before he was 30, he had traveled the north central and New England states as a tireless salesman, and had saved \$8,000 to invest in business.

It was during his travels that he recognized the need for a store that would supply families with more of the everyday and small luxury items they wanted, within a price range of five and ten cents.

Painted First Kresge Sign

On a sunny morning in October 1899, pedestrians on a main street in downtown Detroit, Mich., paused to watch a young man painting a sign over the first Kresge store.

Like most people who are destined for business success, Mr. Kresge not only had ability but also had the good fortune to arrive on the economic scene at just the right place and the right time.

The nation was experiencing years of deep depression following the panic of 1893. But Sebastian Kresge used his experience as a hardware salesman to build up a substantial hardware department along with the regular variety lines in his first Detroit store.



Evolution of Five and Dime

Mr. Kresge played a part in the evolution of the modern day five and ten cent store. To insure rapid turnover, he specialized in goods priced at only a nickel or a dime, which allowed him to offer better values in low-priced items.

The famous slogan, "Nothing Over Ten Cents," was the trademark that appeared on Kresge's mail order catalog and stationery for many years.

Today, there are approximately 700 Kresge stores in the United States and Canada. Higher priced lines of merchandise, and suburban shopping locations characterize the hundreds of Kresge stores in 1957.

Sebastian S. Kresge's first store opened with a staff of 18. Last year the company he founded paid Christmas remembrances to over 37,000 employees. Ownership of his company is now shared by 31,570 stockholders.

Golden Rule Philosophy

But the life story of our 90-year-old founder is much more than just a "rags to riches" tale. Far more important, it is the story of a man who is a true Christian—dedicated to serving God and

his fellow man. His golden rule philosophy of "do unto others" has not ceased to benefit mankind in all walks of life.

The Pennsylvania Dutch precepts by which he was raised taught him to fear God, help his fellow man, work hard and save a good share of what he earned.

A man of simple tastes and scale of living, Sebastian S. Kresge decided at the age of 85 that he had acquired far more money than he had expected or even aimed for. As a religious man, he knew that he wanted to use his wealth to help others. As a hard-headed businessman, he pondered how best he could do this.

Established Kresge Foundation

Once he had made his decision, he wasted no time in getting started. On June 11, 1924, Mr. Kresge established the Kresge Foundation with an initial gift of \$1,300,000.

"I can get a greater thrill out of the idea of serving others than out of anything else in the world," said Mr. Kresge. "I really want to leave the world better off than I found it, and I think most men and women feel that way."

"If I have been able to build up a useful organization for service in the business life of the country, I want the result of my efforts now to go to work for others."

His first gift represents only a small fraction of Mr. Kresge's personal contributions toward the work of the Foundation. He has donated over 60 million dollars since it was first organized.

Grants to Institutions

Today, the Kresge Foundation centers its interest in the fields of education, religion and science. As a result, numerous churches, colleges, universities, medical research centers and other institutions have received grants from the Foundation. They have helped the beneficiaries to obtain needed additional facilities or to increase the scope of their work.

The Kresge Foundation grants, totaling more than 40 million dollars, are a tribute to Sebastian S. Kresge, who built a fortune on nickels and dimes and returned it to benefit mankind.

This fabulous story of our founder was much in the minds and hearts of the scores of folks—family and friends—who spent July 31 at Mountainhome.

That this birthday party was a unique and special one was questioned by none, and enjoyed by all... especially the "young at heart" guest-of-honor.

The KRESGE NEWS will bring you a picture story of the party in the September issue.

INSIDE —

New Mds. Policy . . .	3
Unmasked Phantom . . .	5
Who's Who Winner . . .	6
Kookie the Clown . . .	7
Feminine Fancies . . .	13
Suggestion Awards . . .	16
What Is a Manager? . . .	16
New York Dist. News . . .	4
Pittsburgh Dist. News . . .	8-9
Chicago Dist. News . . .	10-11
Detroit Dist. News . . .	14-15

Superintendents Meet for First Preview Of New Fall, Christmas Merchandise

Detroit Office—The best we've ever offered, says Harry B. Cunningham, sales director, about the new, exciting fall and Christmas merchandise that will be previewed at the annual Superintendents' Merchandise Meeting.

Three full days have been set aside by our sales department for the preview and study of this merchandise—August 12, 13, 14.

The early date, like last year, will give stores a running start on fall and Christmas merchandise plans.

Buyers' offices are helping with samples of merchandise as they line up lists for their individual presentations during the three-day meeting. Special emphasis will be placed on new items and merchandise that is expected to produce outstanding sales.

Our 22 superintendents and the

merchandise managers from each of the four districts will attend the meeting.

Discuss Fall Merchandise

Sales Director Cunningham will call the meeting to order early Monday morning. A general discussion of fall plans by President Franklin P. Williams, Vice-Chairman of the Board Stanley S. Kresge, Vice-President Ralph D. Kresge

(Continued on page three)

Mid-Year Sales Show Increase

Total sales for our company at the mid-year mark (January 1 through June 30) increased 1.94 percent over sales for the same period last year.

In announcing the six-month sales increase, President Franklin P. Williams pointed to progress in the company's expansion program.

Construction is also underway on the company's first store in the deep South. Kresge's is building a store in Broadview Center, a large regional shopping center in Atlanta, Ga.

Sales for the month of May were up 5.00 percent while June sales dropped 1.80 percent below last year's figure.